



USAID
FROM THE AMERICAN PEOPLE

BOSNIA-HERZEGOVINA

Total Funding: \$4.9 million

Duration: March 2007 -
March 2011

Implementer: Advanced
Engineering Associates
International (AEAI)



*Jablanica Lake—Water
accumulation for hydropower
plants*

**“The fact that USAID’s
REAP Project recognized
the need for and is
working on providing
quality technical
information on energy
sector reform to the
people from the sector,
parliament
representatives, and the
public in general, is a
great idea, which will
surely yield positive
results.”**

**Mirza Kušljugić, MP of
the Federation
Parliament**

Regulatory and Energy Assistance Project (REAP)

Challenge

Bosnia and Herzegovina (BiH) signed the Energy Community Treaty, which sets the parameters for creation of a regional electricity and gas market. There are numerous technical and political challenges in reforming the energy sector to become consistent with the requirements of the treaty. To become fully compliant with the treaty the sector will need to be more regionally competitive and transparent. It will have greater access to a diverse set of energy options as well as strong independent regulatory bodies able to respond to citizens' demands.

USAID Initiative

USAID's Regulatory and Energy Assistance Project (REAP) works in the following areas: integrating the BiH energy sector into regional and European Union (EU) markets; creating a legal and regulatory framework for the gas sector; developing an open electricity market; restructuring and commercializing state energy companies; and providing information to the public about their stake in the energy sector.

Results

REAP assisted with developing an Internal Action Plan that details BiH's obligations to meet the requirements of the Energy Community Treaty.

REAP organized the first-ever conference on electricity markets (attended by over 100 government, business, and NGO representatives). The conference provided the foundation for further reforms in the energy sector. It also provided decision makers with a solid understanding of the direction in which BiH must go to fulfill the treaty's requirements.

REAP's technical assistance on the development of the Federation Draft Electricity Law and its continuous work with parliamentarians, media and NGOs to facilitate a better understanding of energy issues has contributed greatly to the preservation of the regulator's independence.

Current Activities

REAP's current activities include: 1) restructuring the gas sector , including drafting gas legislation that is harmonized with EU directives; 2) monitoring and assisting with the restructuring of the public energy companies in BiH's Federation entity; 3) assisting with the implementation of the Internal Action Plans to meet treaty obligations; 4) providing public relations and media-related assistance to counterparts to raise public awareness, and 5) providing technical information on the sector to parliamentarians, media and NGO representatives.

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